

## *Table of Contents*

### *Budget Summaries*

Discretionary and Mandatory Programs Funding Chart .....	2 - 3
Discretionary Spending 1999 - 2001 .....	2 - 5
Discretionary and Mandatory Programs Funding and FTE for 1999 - 2001 .....	2 - 6
Discretionary and Mandatory Programs Funding for 2001 - 2005 .....	2 - 9
2001 Appropriation Request Chart .....	2 - 12
Appropriations Table .....	2 - 13
Appropriation - Reconciliation .....	2 - 14
Budget Authority .....	2 - 16
2001 Appropriations Language Changes .....	2 - 18
Proposed Legislation Table .....	2 - 21
Budget Outlays.....	2 - 22
Functional Distribution of Budget Authority .....	2 - 24
Functional Distribution of Outlays .....	2 - 26
Obligations.....	2 - 28



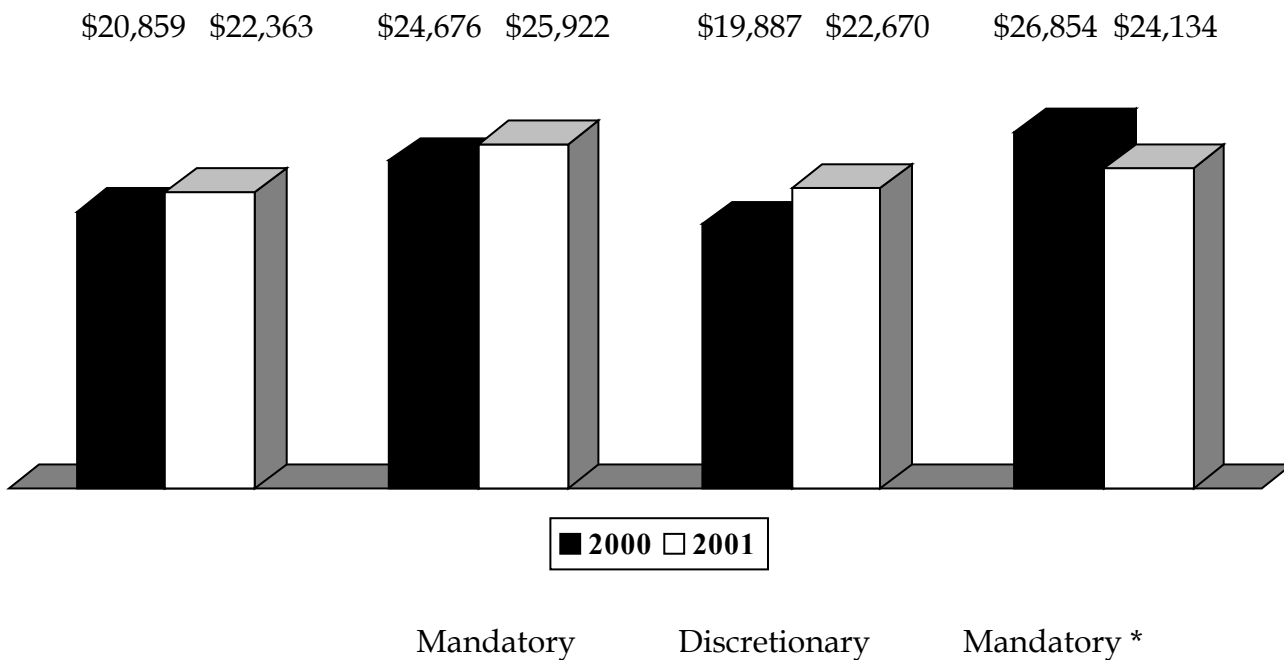


## Budget Summaries

### Department of Veterans Affairs Discretionary and Mandatory Programs Chart (dollars in millions)

#### Budget Authority

#### Outlays



\* The decrease in the 2001 outlays for mandatory programs is due mostly in part to the legislative proposal to repeal the delay of the October 2000 VA compensation benefits. Outlays will increase by \$1.8 billion in 2000 and decrease by \$1.8 billion in 2001.



# DEPARTMENT OF VETERANS AFFAIRS

(budget authority, in millions of dollars)

	1999	2000	2001	Change from 2000 to 2001	
				dollars	percent
<b>Discretionary Spending:</b>					
Medical Programs					
<i>Medical Care (including Collections)</i> .....	17,845	19,526	20,890	1,364	6.98%
<i>Collections</i> .....	574	600	608 1/	8	1.33%
<i>Medical Care</i> .....	17,271	18,926	20,282	1,356	7.16%
<i>Medical Administration</i> .....	63	60	65	5	8.33%
<i>Medical &amp; Prosthetic Research</i> .....	316	321	321	---	---
Construction.....	417	340	309	-31	-9.16%
<i>Major Construction</i> .....	142	65	62	-3	-4.82%
<i>Other Construction</i> .....	275	275	247	-28	-10.18%
Other.....	1,146	1,211	1,386	175	12.63%
<i>National Cemetery Administration</i> .....	92	97	110	13	11.82%
<i>Veterans Benefits Administration</i> 2/.....	813	860	999	139	13.91%
<i>Other administrative amounts</i> 3/.....	241	254	277	23	8.30%
<b>Total, Program Levels/Budgetary Resources ..... (including collections)</b>	<b>19,786</b>	<b>21,459</b>	<b>22,971</b>	<b>1,512</b>	<b>7.05%</b>
<b>Total, Discretionary Spending (excluding collections).....</b>	<b>19,212</b>	<b>20,859</b>	<b>22,363</b>	<b>1,504</b>	<b>7.21%</b>

1/ Collection retained by VA

2/ Includes BA transferred from appropriations for credit administrative expenses.

3/ Does not include transfers from Medical Care and NCA for employment discrimination resolution in 1999 and 2000 (\$27.5 and \$28.1 million, respectively).



**Department of Veterans Affairs**  
**Discretionary and Mandatory Programs Funding and Average Employment for 1999 - 2001**  
*(dollars in thousands)*

	1999 (PY)			2000 (CY)			2001 (BY)			Change (BY - CY)			Percentage Change [(BY - CY)/CY]		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
Transfer for ORM & OEDCA	29,354	29,354		29,594	29,594		...	...		-29,594	-29,594		...	...	...
Credit Reform															
Veterans housing benefit program fund program	4,727	4,727		4,727	4,727		4,414	4,414		-313	-313		-6.62%	-6.62%	
Native American veterans housing loan program	17	17		17	17		17	17		...	...		...	...	
<b>Subtotal, Credit Reform (General Counsel)</b>	<b>4,744</b>	<b>4,744</b>		<b>4,744</b>	<b>4,744</b>		<b>4,431</b>	<b>4,431</b>		<b>-313</b>	<b>-313</b>		<b>-6.60%</b>	<b>-6.60%</b>	
<b>Subtotal, General Administration with Credit</b>	<b>232,860</b>	<b>228,673</b>	<b>2,388</b>	<b>240,567</b>	<b>243,398</b>	<b>2,528</b>	<b>230,943</b>	<b>238,466</b>	<b>2,435</b>	<b>-9,624</b>	<b>-4,932</b>	<b>93</b>	<b>-4.00%</b>	<b>-2.03%</b>	<b>-3.68%</b>
<b>Subtotal, General operating expenses w/out Credit</b>	<b>881,644</b>	<b>866,699</b>	<b>13,635</b>	<b>940,648</b>	<b>945,041</b>	<b>14,065</b>	<b>1,061,854</b>	<b>1,072,737</b>	<b>14,259</b>	<b>121,206</b>	<b>127,696</b>	<b>194</b>	<b>12.89%</b>	<b>13.51%</b>	<b>1.38%</b>
<b>Total, Credit Reform - Administrative</b>	<b>160,242</b>	<b>160,242</b>		<b>158,107</b>	<b>158,107</b>		<b>167,668</b>	<b>167,668</b>		<b>9,561</b>	<b>9,561</b>		<b>6.05%</b>	<b>6.05%</b>	
National Cemetery Administration	91,884	88,810	1,357	97,256	94,222	1,406	109,889	111,114	1,453	12,633	16,892	47	12.99%	17.93%	3.34%
Transfer for ORM & OEDCA	-90	-90		-117	-117					117	117		-100.00%	-100.00%	
Office of Inspector General	35,957	34,601	342	43,200	41,538	384	46,464	47,599	393	3,264	6,061	9	7.56%	14.59%	2.34%
Transfer for ORM & OEDCA	-30	-30		-30	-30					30	30		-100.00%	-100.00%	
<b>Subtotal, Departmental Administration</b>	<b>1,169,607</b>	<b>1,150,232</b>	<b>15,334</b>	<b>1,239,064</b>	<b>1,238,761</b>	<b>15,855</b>	<b>1,385,875</b>	<b>1,399,118</b>	<b>16,105</b>	<b>146,811</b>	<b>160,357</b>	<b>250</b>	<b>11.85%</b>	<b>12.94%</b>	<b>1.58%</b>
<b>Total, Discretionary Program without Collections</b>	<b>19,208,696</b>	<b>19,251,420</b>		<b>20,858,539</b>	<b>19,887,241</b>		<b>22,362,539</b>	<b>22,670,010</b>		<b>1,504,000</b>	<b>2,782,769</b>		<b>7.21%</b>	<b>13.99%</b>	
<b>Proprietary Receipts</b>															
Medical Care Collections Fund	-573,606	-573,606		-600,000	-600,000		...	...		600,000	600,000		-100.00%	-100.00%	
Medical Care Collections Fund - First party collections							-203,000	-203,000		-203,000	-203,000		...	...	
Medical Care Collections Fund - Third party collections							-290,000	-290,000		-290,000	-290,000		...	...	
DoD Tricare Reimbursement							-115,000	-115,000		-115,000	-115,000		...	...	
Medical care collections							-116,000	-116,000		-116,000	-116,000		...	...	
Pharmaceutical copayments							-167,000	-167,000		-167,000	-167,000		...	...	
DoD Tricare Reimbursement							-67,000	-67,000		-67,000	-67,000		...	...	
<b>Subtotal, Proprietary Receipts</b>	<b>-573,606</b>	<b>-573,606</b>		<b>-600,000</b>	<b>-600,000</b>		<b>-958,000</b>	<b>-958,000</b>		<b>-358,000</b>	<b>-358,000</b>		<b>59.67%</b>	<b>59.67%</b>	
<b>Total, Discretionary Programs</b>	<b>19,210,654</b>	<b>19,321,398</b>	<b>201,536</b>	<b>20,858,539</b>	<b>19,874,290</b>	<b>200,026</b>	<b>22,012,539</b>	<b>22,315,770</b>	<b>198,908</b>	<b>1,154,000</b>	<b>2,441,480</b>	<b>-1,118</b>	<b>5.53%</b>	<b>12.28%</b>	<b>-0.56%</b>
<b>Mandatory Programs</b>															
<b>Veterans Benefits Administration</b>															
Compensation and pensions	21,857,058	21,147,622		21,568,364	22,141,285		22,766,276	22,870,611		1,197,912	729,326		5.55%	3.29%	
Proposed 2.5 Percent COLA increase in 12/1/2000	...	...		...	...		345,030	310,500		345,030	310,500		...	...	
Other legislative proposals <sup>2/</sup>				...	1,800,000		5,000	-1,795,000		5,000	-3,595,000		...	-199.72%	
<b>Total Compensation and pensions</b>	<b>21,857,058</b>	<b>21,147,622</b>		<b>21,568,364</b>	<b>23,941,285</b>		<b>23,116,306</b>	<b>21,386,111</b>		<b>1,547,942</b>	<b>-2,555,174</b>		<b>7.18%</b>	<b>-10.67%</b>	
Readjustment benefits <sup>1/</sup>	1,175,358	1,445,217		1,469,000	1,491,000		1,634,000	1,689,000		165,000	198,000		11.23%	13.28%	
Reinstated entitlement program for survivors	...	...		...	-450		...	...		...	450		...	-100.00%	
Veterans insurance and indemnities	46,450	46,660		28,670	30,926		19,850	19,850		-8,820	-11,076		-30.76%	-35.81%	
Veterans housing benefit program fund liquidating	153,555	-370,788		...	-138,756		...	-89,920		...	48,836		...	-35.20%	
Veterans housing benefit program fund program	1,388,645	1,388,645		1,309,115	1,309,115		165,740	165,740		-1,143,375	-1,143,375		-87.34%	-87.34%	
Guaranteed transitional housing loans for homeless veterans	3,000	0		45,250	9,600		...	6,400		-45,250	-3,200		-100.00%	-33.33%	
Service-disabled veterans insurance fund	-10,279	-10,667		11,454	13,141		17,370	17,710		5,916	4,569		...	34.77%	
Veterans reopened insurance fund	10,317	6,586		14,020	12,752		16,200	15,320		2,180	2,568		...	20.14%	
Education loan revolving fund liquidating account	...	-183		...	-146		...	-98		...	48		...	-32.88%	
Servicemembers' group life insurance fund	...	-264		...	-210		...	-230		...	-20		...	9.52%	
Post-Vietnam era veterans education account	5,152	20,467		1,820	19,500		1,374	17,900		-446	-1,600		-24.51%	-8.21%	
National service life insurance	1,248,935	1,201,357		1,300,721	1,259,019		1,293,650	1,267,319		-7,071	8,300		-0.54%	0.66%	
U.S. Government life insurance	11,319	11,581		10,840	12,072		10,440	11,664		-400	-408		-3.69%	-3.38%	
Veterans special life insurance fund	-18,945	-37,250		-14,460	-30,180		-21,930	-36,728		-7,470	-6,548		...	21.70%	
<b>Subtotal, Veterans Benefits Administration</b>	<b>25,870,565</b>	<b>24,848,983</b>		<b>25,744,794</b>	<b>27,928,668</b>		<b>26,253,000</b>	<b>24,470,038</b>		<b>508,206</b>	<b>-3,458,630</b>		<b>1.97%</b>	<b>-12.38%</b>	

Department of Veterans Affairs															
Discretionary and Mandatory Programs Funding and Average Employment for 1999 - 2001															
(dollars in thousands)															
	1999 (PY)			2000 (CY)			2001 (BY)			Change (BY - CY)			Percentage Change [(BY - CY)/CY]		
	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE	BA	Outlay	FTE
<b>Veterans Health Administration</b>															
Special therapeutic and rehabilitation activities fund	...	-2,069		...	-2,124		...	-2,175		...	-51		...	...	
Medical care cost recovery	...	599		...	...		...	...		...	...		...	...	
Canteen service revolving fund	...	138	3,010	...	500	3,025	...	1,500	3,025	...	1,000	...	...	...	
Medical facilities revolving fund	...	-193		...	170		...	631		...	461		...	271.18%	
General post fund	33,331	28,871		34,198	29,622		35,018	30,333		820	711		2.40%	2.40%	
Subtotal, Veterans Health Administration	33,331	27,346	3,010	34,198	28,168	3,025	35,018	30,289	3,025	820	2,121	...	2.40%	7.53%	
<b>Veterans Health Administration Proprietary receipts</b>															
Veterans health services improvement															
Pharmaceutical copayments	...	...		...	...		...	...		...	...		...	...	
Enhanced-use lease proceeds	...	...		...	...		...	...		...	...		...	...	
DoD tricare reimbursement	...	...		...	...		...	...		...	...		...	...	
Subtotal, Veterans Health Administration Receipts	0	0		0	0		0	0		0	0	0			
Subtotal, Veterans Health Administration	33,331	27,346	3,010	34,198	28,168	3,025	35,018	30,289	3,025	820	2,121	0	2.40%	7.53%	0.00%
<b>Departmental Administration</b>															
Pershing Hall revolving fund	...	-303		...	27		...	-190		...	-217		...	...	
Supply fund	...	-27,746	357	...	...	385	...	...	385	...	...	...	...	...	...
Franchise fund	...	-948	644	...	...	679	...	...	1,034	...	...	355	...	...	52.28%
National cemetery gift fund	62	115		100	95		100	95		...	...		...	...	
Subtotal, Departmental Administration	62	-28,882	1,001	100	122	1,064	100	-95	1,419	0	-217	355	0	0	33.36%
<b>Veterans Benefits Administration Proprietary receipts</b>															
GI Bill <sup>2/</sup>	-168,040	-168,040		-181,000	-181,000		-184,000	-184,000		-3,000	-3,000		1.66%	1.66%	
Downward Reestimates:															
Veterans housing benefit fund guaranteed loan program	-324,460	-324,460		-345,462	-345,462		...	...		345,462	345,462		...	...	
Veterans housing benefit fund loan sale securities program				-283,260	-283,260		...	...		283,260	283,260		...	...	
Veterans housing benefit fund direct loan program	-294,513	-294,513		-100,600	-100,600		...	...		100,600	100,600		...	...	
National service life insurance fund	-204,265	-204,265		-189,220	-189,220		-178,600	-178,600		10,620	10,620		-5.61%	-5.61%	
Post-Vietnam era veterans education account	-2,555	-2,555		-1,820	-1,820		-910	-910		910	910		...	...	
Subtotal, Proprietary receipts	-993,833	-993,833		-1,101,362	-1,101,362		-363,510	-363,510		737,852	737,852		-66.99%	-66.99%	
<b>Intragovernmental transactions</b>															
National service life insurance fund	-5,940	-5,940		-1,510	-1,510		-1,480	-1,480		30	30		-1.99%	-1.99%	
Post-Vietnam era veterans education account	-2,597	-2,597		...	...		-464	-464		-464	-464		...	...	
Subtotal, Intragovernmental transactions	-8,537	-8,537		-1,510	-1,510		-1,944	-1,944		-434	-434		-28.74%	-28.74%	
Total, Mandatory Programs	24,901,588	23,845,077	4,011	24,676,220	26,854,086	4,089	25,922,664	24,134,778	4,444	1,246,444	-2,719,308	355	5.05%	-10.13%	8.68%
Total, Department Veterans Affairs	\$44,112,242	\$43,166,475	205,547	\$45,534,759	\$46,728,376	204,115	\$47,935,203	\$46,450,548	203,352	\$2,400,444	-\$277,828	-763	5.27%	-0.59%	-0.37%

<sup>1/</sup> Reflects a one-time adjustment in 2001 of \$30 million of funding from the mandatory education account of Readjustment Benefits to the discretionary General Operating Expenses appropriation.

<sup>2/</sup> The numbers in the table above do not match the numbers in the President's budget due to a technical error. The error in the President's budget will be corrected by the Mid-Session Review to reflect the table above.

<sup>1/</sup> Reflects a one-time adjustment in 2001 of \$30 million of funding from the mandatory education account of Readjustment Benefits to the discretionary General Operating Expenses appropriation.

<sup>2/</sup> The numbers in the table above do not match the numbers in the President's budget due to a technical error. The error in the President's budget will be corrected by the Mid-Session Review to reflect the table above.



<b>Department of Veterans Affairs</b> <b>Discretionary and Mandatory Programs Funding for 2001 - 2005</b> <i>(dollars in millions)</i>										
	2001 (BY)		2002 (BY+1)		2003 (BY+2)		2004 (BY+3)		2005 (BY+4)	
	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay
<b>Discretionary Programs</b>										
<b>Veterans Health Administration</b>										
Medical care	\$20,282	\$20,463	\$20,282	\$20,237	\$20,527	\$20,481	\$21,034	\$20,939	\$21,495	\$21,402
Medical care collection fund	608	604	608	608	614	614	631	631	644	644
<b>Total Medical care</b>	<b>20,890</b>	<b>21,067</b>	<b>20,890</b>	<b>20,845</b>	<b>21,141</b>	<b>21,095</b>	<b>21,665</b>	<b>21,570</b>	<b>22,139</b>	<b>22,046</b>
Medical and prosthetic research	321	327	321	320	325	324	333	330	340	339
Medical administration and miscellaneous operating expense	65	67	65	66	66	66	67	69	69	70
<b>Subtotal, Veteran Health Administration</b>	<b>21,276</b>	<b>21,461</b>	<b>21,276</b>	<b>21,231</b>	<b>21,532</b>	<b>21,485</b>	<b>22,065</b>	<b>21,969</b>	<b>22,548</b>	<b>22,455</b>
<b>Veterans Benefits Administration</b>										
Native American veterans housing loan program account	...	...	...	...	...	...	...	...	...	...
Education loan program account	...	...	...	...	...	...	...	...	...	...
Vocational rehabilitation program account	...	...	...	...	...	...	...	...	...	...
<b>Subtotal, Veterans Benefits Administration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Construction Programs</b>										
Construction, major projects	62	141	62	100	63	74	64	66	66	64
Construction, minor projects	162	166	162	162	164	163	168	165	172	168
Grants for the construction of state extended care facilities	60	85	60	86	61	76	62	60	64	61
Grants for construction of state veterans cemeteries	25	17	25	21	25	25	26	25	26	26
Parking revolving fund	...	4	...	2	...	1	...	...	...	...
Nursing home revolving fund	...	...	...	...	...	...	...	...	...	...
<b>Total, Construction Programs</b>	<b>309</b>	<b>413</b>	<b>309</b>	<b>371</b>	<b>313</b>	<b>339</b>	<b>320</b>	<b>316</b>	<b>328</b>	<b>319</b>
<b>Departmental Administration</b>										
<b>General Operating Expenses:</b>										
Veterans Benefits Administration (VBA)	835	839	835	835	845	844	866	863	885	882
Veterans housing benefit program fund program account	162	162	162	162	164	164	168	168	172	172
Native American veterans housing loan program account	1	1	1	1	1	1	1	1	1	1
Education loan program account	...	...	...	...	...	...	...	...	...	...
Vocational rehabilitation program account	1	1	1	1	1	1	1	1	1	1
<b>Subtotal, Credit Reform (VBA)</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>166</b>	<b>166</b>	<b>170</b>	<b>170</b>	<b>174</b>	<b>174</b>
<b>Subtotal, Veterans Benefits Administration with Credit</b>	<b>999</b>	<b>1,003</b>	<b>999</b>	<b>999</b>	<b>1,011</b>	<b>1,010</b>	<b>1,036</b>	<b>1,033</b>	<b>1,059</b>	<b>1,056</b>
General Administration	227	234	227	227	230	229	235	235	241	240
Veterans housing benefit program fund program account	4	4	4	4	4	4	4	4	4	4
Native American veterans housing loan program account	...	...	...	...	...	...	...	...	...	...
<b>Subtotal, Credit Reform (General Counsel)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>Subtotal, General Administration with Credit</b>	<b>231</b>	<b>238</b>	<b>231</b>	<b>231</b>	<b>234</b>	<b>233</b>	<b>239</b>	<b>239</b>	<b>245</b>	<b>244</b>
<b>Subtotal, General operating expenses w/out Credit</b>	<b>1,062</b>	<b>1,073</b>	<b>1,062</b>	<b>1,062</b>	<b>1,075</b>	<b>1,073</b>	<b>1,101</b>	<b>1,098</b>	<b>1,126</b>	<b>1,122</b>
<b>Subtotal, Credit Reform</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>168</b>	<b>170</b>	<b>170</b>	<b>174</b>	<b>174</b>	<b>178</b>	<b>178</b>
National cemetery administration	110	111	110	110	111	111	114	113	117	117
Office of Inspector General	46	47	46	46	47	52	48	53	49	54
<b>Subtotal, Departmental Administration</b>	<b>1,386</b>	<b>1,399</b>	<b>1,386</b>	<b>1,386</b>	<b>1,403</b>	<b>1,406</b>	<b>1,437</b>	<b>1,438</b>	<b>1,470</b>	<b>1,471</b>
<b>Total, Discretionary Program without Collections</b>	<b>22,363</b>	<b>22,669</b>	<b>22,363</b>	<b>22,380</b>	<b>22,634</b>	<b>22,616</b>	<b>23,191</b>	<b>23,092</b>	<b>23,702</b>	<b>23,601</b>

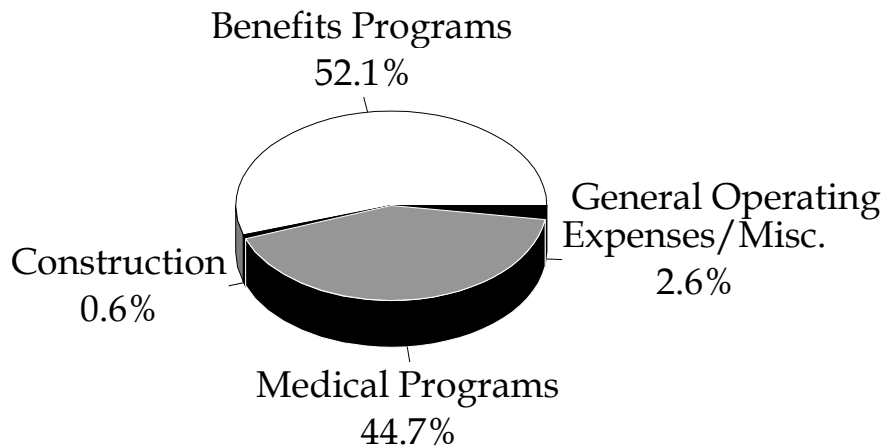
<b>Department of Veterans Affairs</b> <b>Discretionary and Mandatory Programs Funding for 2001 - 2005</b> <i>(dollars in millions)</i>										
	2001 (BY)		2002 (BY+1)		2003 (BY+2)		2004 (BY+3)		2005 (BY+4)	
	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay
<b>Proprietary receipts</b>										
Medical care collections fund	...	...	...	...	...	...	...	...	...	...
Medical care collections fund - First party collections	-203	-203	-203	-203	-205	-205	-211	-211	-215	-215
Medical care collections fund - Third party collections	-290	-290	-290	-290	-293	-293	-301	-301	-307	-307
DoD Tricare Reimbursement	-115	-115	-115	-115	-115	-115	-116	-116	-119	-119
Medical care collections	-116	-116	-116	-116	-117	-117	-120	-120	-123	-123
Pharmaceutical copayments	-167	-167	-167	-167	-169	-169	-173	-173	-177	-177
DoD Tricare Reimbursement	-67	-67	-67	-67	-68	-68	-69	-69	-71	-71
<b>Subtotal, Proprietary receipts</b>	<b>-958</b>	<b>-958</b>	<b>-958</b>	<b>-958</b>	<b>-967</b>	<b>-967</b>	<b>-990</b>	<b>-990</b>	<b>-1,012</b>	<b>-1,012</b>
<b>Total, Discretionary Programs</b>	<b>22,013</b>	<b>22,315</b>	<b>22,013</b>	<b>22,030</b>	<b>22,281</b>	<b>22,263</b>	<b>22,832</b>	<b>22,733</b>	<b>23,334</b>	<b>23,233</b>
<b>Mandatory Programs</b>										
<b>Veterans Benefits Administration</b>										
Compensation and pensions	22,766	22,871	23,534	23,517	24,683	24,662	25,373	25,351	26,085	27,891
Proposed COLA increase	345	311	769	767	1,243	1,203	1,725	1,685	2,216	2,174
Proposed legislation - other <sup>2</sup>	5	-1,795	5	5	-11	-9	-29	-28	-48	-47
<b>Total Compensation</b>	<b>23,116</b>	<b>21,387</b>	<b>24,308</b>	<b>24,289</b>	<b>25,915</b>	<b>25,856</b>	<b>27,069</b>	<b>27,008</b>	<b>28,253</b>	<b>30,018</b>
Readjustment benefits <sup>1</sup>	1,634	1,689	1,644	1,641	1,634	1,631	1,634	1,632	1,651	1,663
Veterans insurance and indemnities	20	20	36	36	36	36	36	36	38	38
Veterans housing benefit program fund liquidating account	...	-90	...	-64	...	-48	...	-38	...	-31
Veterans housing benefit program fund program account	166	166	139	139	320	320	342	342	349	349
Proposed legislation <sup>2</sup>	...	...	...	...	-255	-255	-254	-254	-265	-265
<b>Total Veterans housing benefit fund program account</b>	<b>166</b>	<b>166</b>	<b>139</b>	<b>139</b>	<b>65</b>	<b>65</b>	<b>88</b>	<b>88</b>	<b>84</b>	<b>84</b>
Guaranteed transitional housing loans for homeless veterans	...	6	...	10	...	10	...	13	...	...
Service-disabled veterans insurance fund	17	18	...	5	...	5	...	5	...	5
Veterans reopened insurance fund	16	15	19	18	20	19	21	19	23	17
Education loan revolving fund liquidating account	...	...	...	...	...	...	...	...	...	...
Servicemembers' group life insurance fund	...	...	...	...	...	...	...	...	...	...
Post-Vietnam era veterans education account	1	18	1	17	1	17	2	16	2	16
National service life insurance	1,294	1,267	1,300	1,283	1,298	1,291	1,298	1,303	1,287	1,303
U.S. Government life insurance	10	12	10	10	9	10	8	9	7	8
Veterans special life insurance fund	-21	-37	-20	34	-6	18	1	11	2	9
<b>Subtotal, Veterans Benefits Administration</b>	<b>26,253</b>	<b>24,471</b>	<b>27,437</b>	<b>27,418</b>	<b>28,972</b>	<b>28,910</b>	<b>30,157</b>	<b>30,102</b>	<b>31,347</b>	<b>33,130</b>

<b>Department of Veterans Affairs</b> <b>Discretionary and Mandatory Programs Funding for 2001 - 2005</b> <i>(dollars in millions)</i>										
	2001 (BY)		2002 (BY+1)		2003 (BY+2)		2004 (BY+3)		2005 (BY+4)	
	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay	BA	Outlay
<b>Veterans Health Administration</b>										
Medical facilities revolving fund	...	1	...	2	...	2	...	1	...	2
Special therapeutic and rehabilitation activities fund	...	-2	...	-2	...	-2	...	-2	...	-2
Canteen service revolving fund	...	2	...	...	...	...	...	...	...	...
General post fund	35	30	35	30	34	31	35	33	36	32
<b>Subtotal, Veterans Health Administration</b>	<b>35</b>	<b>31</b>	<b>35</b>	<b>30</b>	<b>34</b>	<b>31</b>	<b>35</b>	<b>32</b>	<b>36</b>	<b>32</b>
<b>Veterans Health Administration - Proprietary receipts</b>										
Veterans health services improvement	...	...	...	...	...	...	...	...	...	...
Pharmaceutical copayments	...	...	...	...	...	...	...	...	...	...
Enhanced-use lease proceeds	...	...	...	...	...	...	...	...	...	...
DoD Tricare Reimbursement	...	...	...	...	...	...	...	...	...	...
<b>Subtotal, Veterans Health Administration - Receipts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subtotal, Veterans Health Administration</b>	<b>35</b>	<b>31</b>	<b>35</b>	<b>30</b>	<b>34</b>	<b>31</b>	<b>35</b>	<b>32</b>	<b>36</b>	<b>32</b>
<b>Departmental Administration</b>										
Pershing Hall revolving fund	...	-1	...	...	...	...	...	...	...	...
Supply fund	...	...	...	...	...	...	...	...	...	...
Franchise fund	...	...	...	...	...	...	...	...	...	...
National cemetery gift fund	...	...	...	...	...	...	...	...	...	...
<b>Subtotal, Departmental Administration</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Proprietary receipts</b>										
GI Bill <sup>2</sup>	-184	-184	-184	-184	-184	-184	-186	-186	-185	-185
National service life insurance fund	-179	-179	-168	-168	-157	-157	-145	-145	-133	-133
Post-Vietnam era veterans education account	-1	-1	...	...	...	...	...	...	...	...
<b>Subtotal, Proprietary receipts</b>	<b>-364</b>	<b>-364</b>	<b>-352</b>	<b>-352</b>	<b>-341</b>	<b>-341</b>	<b>-331</b>	<b>-331</b>	<b>-318</b>	<b>-318</b>
<b>Intragovernmental transactions</b>										
National service life insurance fund	-1	-1	-1	-1	-1	-1	-1	-1	-1	-1
Post-Vietnam era veterans education account	-1	-1	...	...	...	...	...	...	...	...
<b>Subtotal, Intragovernmental transactions</b>	<b>-2</b>	<b>-2</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>
<b>Total, Mandatory Programs</b>	<b>25,922</b>	<b>24,135</b>	<b>27,119</b>	<b>27,095</b>	<b>28,664</b>	<b>28,599</b>	<b>29,860</b>	<b>29,802</b>	<b>31,064</b>	<b>32,843</b>
<b>Total, Department Veterans Affairs</b>	<b>\$47,935</b>	<b>\$46,450</b>	<b>\$49,132</b>	<b>\$49,125</b>	<b>\$50,945</b>	<b>\$50,862</b>	<b>\$52,692</b>	<b>\$52,535</b>	<b>\$54,398</b>	<b>\$56,076</b>

<sup>1</sup> Reflects a one-time adjustment of \$30 million of funding from the mandatory education account of Readjustment Benefits to the discretionary General Operating Expenses appropriation.

<sup>2</sup> The numbers in the table above do not match the numbers in the President's budget due to a technical error. The error in the President's budget will be corrected by the Mid-Session Review to reflect the table above.

# 2001 Appropriation Request



## Amount of 2001 Appropriation Request (dollars in thousands)

Benefits programs .....	\$24,753,587
Medical programs (includes medical care collection funds) .....	21,275,471
Construction programs .....	309,140
General operating expenses and miscellaneous .....	1,218,207
Total appropriations .....	\$47,556,405

<b>Appropriations</b> (dollars in thousands)				
Appropriation/Fund Account	1999	2000	2001	Increase (+) Decrease (-)
<b>Federal funds:</b>				
<b>Benefit programs:</b>				
Compensations and pensions	\$21,857,058	\$21,568,364	\$22,766,276	\$1,197,912
Readjustment benefits	1,175,000	1,469,000	1,664,000	195,000
Discretionary appropriation for certain vocational rehabilitation and employment activities	...	...	-30,000	-30,000
Veterans insurance and indemnities	46,450	28,670	19,850	-8,820
Veterans housing benefit program, current	159,121	156,958	166,484	9,526
Veterans housing benefit program, current, indefinite	1,388,645	1,309,115	165,740	-1,143,375
Native American veteran housing loan program account	515	520	532	12
Guaranteed transitional housing loans for homeless veterans	3,000	45,250	...	-45,250
Education loan program account	206	215	221	6
Vocational rehabilitation loans program account	449	471	484	13
<b>Total benefit programs</b>	<b>24,630,444</b>	<b>24,578,563</b>	<b>24,753,587</b>	<b>175,024</b>
<b>Medical programs:</b>				
Medical care	17,270,627	18,926,481	20,281,587	1,355,106
Transfer to General Operating Expenses	-27,420	-27,907	...	27,907
Transfer from Medical care collections fund	575,564	600,000	608,000	8,000
Subtotal Medical care	17,818,771	19,498,574	20,889,587	1,391,013
Medical and prosthetic research	315,652	321,000	321,000	0
Medical administration and miscellaneous operating expenses	62,933	59,703	64,884	5,181
Health professional scholarship program	...	...	...	...
<b>Total medical programs</b>	<b>18,197,356</b>	<b>19,879,277</b>	<b>21,275,471</b>	<b>1,396,194</b>
<b>Construction programs:</b>				
Construction, major projects	142,287	65,140	62,140	-3,000
Construction, minor projects	174,984	160,000	162,000	2,000
Grants for construction of State extended care facilities	90,000	90,000	60,000	-30,000
Grants for the construction of State veterans cemeteries	10,000	25,000	25,000	0
Parking revolving fund	-23	...	...	...
<b>Total construction programs</b>	<b>417,248</b>	<b>340,140</b>	<b>309,140</b>	<b>-31,000</b>
<b>General operating expenses &amp; Miscellaneous:</b>				
General operating expenses	854,103	912,594	1,031,854	119,260
Discretionary appropriation for certain vocational rehabilitation and employment activities			30,000	30,000
Transfers for ORM and OEDCA	27,540	28,054	...	-28,054
Subtotal General operating expenses	881,643	940,648	1,061,854	121,206
Office of Inspector General	35,957	43,200	46,464	3,264
Transfer to General Operating Expenses	-30	-30	...	30
National cemetery administration	91,884	97,256	109,889	12,633
Transfer to General Operating Expenses	-90	-117	...	117
<b>Total GOE &amp; Miscellaneous</b>	<b>1,009,364</b>	<b>1,080,957</b>	<b>1,218,207</b>	<b>137,250</b>
<b>Total appropriations</b>	<b>\$44,254,412</b>	<b>\$45,878,937</b>	<b>\$47,556,405</b>	<b>\$1,677,468</b>
<b>Total Mandatory</b>	<b>\$24,470,153</b>	<b>\$24,420,399</b>	<b>\$24,585,866</b>	<b>\$165,467</b>
<b>Total Discretionary without MCCF</b>	<b>\$19,208,695</b>	<b>\$20,858,538</b>	<b>\$22,362,539</b>	<b>\$1,504,001</b>
<b>Total Discretionary with MCCF</b>	<b>\$19,784,259</b>	<b>\$21,458,538</b>	<b>\$22,970,539</b>	<b>\$1,512,001</b>

Appropriation-Reconciliation (dollars in thousands)			
Appropriation/Fund Account	1999	2000	2001
Compensations and pensions, appropriation	\$21,857,058	\$21,568,364	\$22,766,276
Comparative transfer to compensation	-18,663,234	-18,375,028	-19,567,055
Comparative transfer to pensions	-3,084,495	-3,063,637	-3,066,127
Comparative transfer to burial benefits and miscellaneous assistance	-109,329	-129,699	-133,094
<b>Appropriation, adjusted</b>	<b>0</b>	<b>0</b>	<b>0</b>
Compensations, appropriation	18,663,234	18,375,028	19,567,055
Transfer to pensions, appropriation			
<b>Appropriation, adjusted</b>	<b>18,663,234</b>	<b>18,375,028</b>	<b>19,567,055</b>
Pensions, appropriation	3,084,495	3,063,637	3,066,127
Transfer from compensation, appropriation			
Transfer from burial benefits, appropriation			
<b>Appropriation, adjusted</b>	<b>3,084,495</b>	<b>3,063,637</b>	<b>3,066,127</b>
Burial benefits and miscellaneous assistance, appropriation	109,329	129,699	133,094
Transfer to pensions, appropriation			
<b>Appropriation, adjusted</b>	<b>109,329</b>	<b>129,699</b>	<b>133,094</b>
Readjustment benefits, appropriation	1,175,000	1,469,000	1,664,000
From Department of Defense	358		
Mandatory appropriation for certain vocational rehabilitation and employment activities			-30,000
<b>Appropriation, adjusted</b>	<b>1,175,358</b>	<b>1,469,000</b>	<b>1,634,000</b>
Veterans insurance and indemnities, appropriation	46,450	28,670	19,850
Veterans housing benefits program fund			
liquidating account, current	153,555	0	0
Veterans housing benefit program fund	159,121	156,958	166,484
Special fund, P&I			
Current, indefinite	1,388,645	1,309,115	165,740
<b>Appropriation, adjusted</b>	<b>1,547,766</b>	<b>1,466,073</b>	<b>332,224</b>
Native American veteran housing loan program			
account, appropriation	515	520	532
Guaranteed transitional housing loans for homeless veterans, permanent authority	3,000	45,250	0
Education loan fund program account, appropriation	206	215	221
Vocational rehabilitation loan program			
account, appropriation	449	472	484
Medical care, appropriation	17,306,000	19,006,000	20,281,587
Transfer from general operating expenses, appropriation	-27,420	-27,907	
Transfer from medical care collections fund, receipts	575,564	600,000	608,000
Rescission, Public Law 106-51	-35,373		
Rescission, Public Law 106-113		-79,519	
<b>Appropriation, adjusted</b>	<b>17,818,771</b>	<b>19,498,574</b>	<b>20,889,587</b>
Medical and prosthetic research, appropriation	316,000	321,000	321,000
Rescission, Public Law 106-51	-348		
<b>Appropriation, adjusted</b>	<b>315,652</b>	<b>321,000</b>	<b>321,000</b>

Appropriation-Reconciliation (dollars in thousands)			
Appropriation/Fund Account	1999	2000	2001
Medical administration and miscellaneous operating expenses, appropriation	63,000	59,703	64,884
Rescission, Public Law 106-51	-67		
<b>Appropriation, adjusted</b>	<b>62,933</b>	<b>59,703</b>	<b>64,884</b>
Transitional housing loans program account	0	61	61
Transfer from general post fund	0	-61	-61
<b>Appropriation, adjusted</b>	<b>0</b>	<b>0</b>	<b>0</b>
Construction, major projects, appropriation	142,300	65,140	62,140
Rescission, Public Law 106-51	-13	0	0
<b>Appropriation, adjusted</b>	<b>142,287</b>	<b>65,140</b>	<b>62,140</b>
Construction, minor projects, appropriation	175,000	160,000	162,000
Rescission, Public Law 106-51	-16	0	0
<b>Appropriation, adjusted</b>	<b>174,984</b>	<b>160,000</b>	<b>162,000</b>
Grants for construction of State extended care facilities, appropriation	90,000	90,000	60,000
Grants for construction of State veterans cemeteries, appropriation	10,000	25,000	25,000
Parking revolving fund, appropriation	0	0	0
Rescission, Public Law 106-51	-23	0	0
<b>Appropriation, adjusted</b>	<b>-23</b>	<b>0</b>	<b>0</b>
General operating expenses, appropriation	855,661	912,594	1,031,854
Discretionary appropriation for certain vocational rehabilitation and employment activities			30,000
Transfer from medical care	27,420	27,907	
Transfer from national cemetery administration	90	117	
Transfer from office of inspector general	30	30	
Rescission, Public Law 106-51	-1,558		
<b>Appropriation, adjusted</b>	<b>881,643</b>	<b>940,648</b>	<b>1,061,854</b>
National cemetery administration, appropriation	92,006	97,256	109,889
Transfer to general operating expenses, appropriation	-90	-117	
Transfer from medical administration and miscellaneous			
Rescission, Public Law 106-51	-122		
<b>Appropriation, adjusted</b>	<b>91,794</b>	<b>97,139</b>	<b>109,889</b>
Office of Inspector General, appropriation	36,000	43,200	46,464
Transfer to general operating expenses, appropriation	-30	-30	
Rescission, Public Law 106-51	-43		
<b>Appropriation, adjusted</b>	<b>35,927</b>	<b>43,170</b>	<b>46,464</b>
<b>Department of Veterans Affairs, appropriations, adjusted</b>	<b>\$44,408,325</b>	<b>\$45,878,938</b>	<b>\$47,556,405</b>

**Budget Authority (Net)**  
(dollars in thousands)

Appropriation/Fund Account	1999	2000	2001	Increase (+) Decrease (-)
<b>Federal funds:</b>				
<b>Benefit programs:</b>				
Compensations and pensions	\$21,857,058	\$21,568,364	\$22,766,276	\$1,197,912
Readjustment benefits	1,175,358	1,469,000	1,664,000	195,000
Discretionary appropriation for certain vocational rehabilitation and employment activities			-30,000	-30,000
Veterans insurance and indemnities	46,450	28,670	19,850	-8,820
Veterans housing benefit program fund liquidating account	153,555	...	...	...
Veterans housing benefit program fund program account	1,547,766	1,466,073	332,224	-1,133,849
Guaranteed transitional housing loans for homeless veterans	3,000	45,250	...	-45,250
Native American veteran housing loan program account	515	520	532	12
Education loan program account	206	215	221	6
Vocational rehabilitation loans program account	449	471	484	13
<b>Total benefit programs</b>	<b>24,784,357</b>	<b>24,578,563</b>	<b>24,753,587</b>	<b>175,024</b>
<b>Medical programs:</b>				
Medical care - Discretionary	17,270,627	18,926,481	20,281,587	1,355,106
Transfer to General Operating Expenses	-27,420	-27,907	...	27,907
Medical care collections fund	575,564	600,000	608,000	8,000
Total Medical care	17,818,771	19,498,574	20,889,587	1,391,013
Medical and prosthetic research	315,652	321,000	321,000	0
Medical administration and miscellaneous operating expenses	62,933	59,703	64,884	5,181
<b>Total medical programs</b>	<b>18,197,356</b>	<b>19,879,277</b>	<b>21,275,471</b>	<b>1,396,194</b>
<b>Construction programs:</b>				
Construction, major projects	142,287	65,140	62,140	-3,000
Construction, minor projects	174,984	160,000	162,000	2,000
Grants for construction of State extended care facilities	90,000	90,000	60,000	-30,000
Grants for the construction of State veterans cemeteries	10,000	25,000	25,000	0
Parking revolving fund	-23	...	...	0
<b>Total construction programs</b>	<b>417,248</b>	<b>340,140</b>	<b>309,140</b>	<b>-31,000</b>
<b>General operating expenses &amp; Miscellaneous:</b>				
General operating expenses	854,103	912,594	1,031,854	119,260
Discretionary appropriation for certain vocational rehabilitation and employment activities			30,000	30,000
Transfers for ORM and OEDCA	27,540	28,054		-28,054
Total General operating expenses	881,643	940,648	1,061,854	121,206
National cemetery administration	91,884	97,256	109,889	12,633
Transfer to General Operating Expenses	-90	-117		117
Office of Inspector General	35,957	43,200	46,464	3,264
Transfer to General Operating Expenses	-30	-30		30
<b>Total GOE &amp; Miscellaneous</b>	<b>1,009,364</b>	<b>1,080,957</b>	<b>1,218,207</b>	<b>137,250</b>
<b>Total appropriations, adjusted</b>	<b>44,408,325</b>	<b>45,878,937</b>	<b>47,556,405</b>	<b>1,677,468</b>



**Budget Authority (Net)**  
(dollars in thousands)

Appropriation/Fund Account	1999	2000	2001	Increase (+) Decrease (-)
<b>Proprietary receipts from the public:</b>				
GI Bill receipts	-168,040	-181,000	-184,000	-3,000
Downward reestimates:				
Veterans housing benefit fund guaranteed loan account	-324,460	-345,462	...	345,462
Veterans housing benefit fund loan sale securities		-283,260		283,260
Veterans housing benefit fund direct loan account	-294,513	-100,600	...	100,600
Medical care collections fund	-573,606	-600,000	0	600,000
Medical care collections fund - First party collections			-203,000	-203,000
Medical care collections fund - Third party collections			-290,000	-290,000
DoD Tricare Reimbursement			-115,000	-115,000
Veterans health services improvement		...		
Pharmaceutical copayments			0	0
Enhanced-use lease proceeds			0	0
DoD Tricare reimbursement			0	0
Medical care collections			-116,000	-116,000
Pharmaceutical copayments			-167,000	-167,000
DoD Tricare reimbursements			-67,000	-67,000
<b>Total proprietary receipts from the public</b>	<b>-1,360,619</b>	<b>-1,510,322</b>	<b>-1,142,000</b>	<b>368,322</b>
<b>Proposed legislation:</b>				
Compensation and pensions - COLA increase			345,030	345,030
Compensation and pensions - Other legislation			5,000	5,000
<b>Total proposed legislation</b>	<b>0</b>	<b>0</b>	<b>350,030</b>	<b>350,030</b>
<b>Total federal funds</b>	<b>43,047,706</b>	<b>44,368,615</b>	<b>46,764,435</b>	<b>2,395,820</b>
<b>Trust funds:</b>				
Post-Vietnam era veterans education account	5,152	1,820	1,374	-446
General post fund	33,331	34,198	35,018	820
Transitional housing loans, program account	...	...	...	...
National service life insurance	1,248,935	1,300,721	1,293,650	-7,071
U.S. Government life insurance	11,319	10,840	10,440	-400
Service-disabled veterans insurance fund	-10,279	11,454	17,370	5,916
Veterans reopened insurance fund	10,317	14,020	16,200	2,180
Veterans special life insurance fund	-18,945	-14,460	-21,930	-7,470
National cemetery gift fund	62	100	100	0
<b>Total trust funds (gross)</b>	<b>1,279,892</b>	<b>1,358,693</b>	<b>1,352,222</b>	<b>-6,471</b>
<b>Proprietary receipts from the public</b>	<b>-206,820</b>	<b>-191,040</b>	<b>-179,510</b>	<b>11,530</b>
Post-Vietnam era veterans education account	-2,555	-1,820	-910	910
National service life insurance	-204,265	-189,220	-178,600	10,620
U.S. Government life insurance	...	...	...	...
<b>Total trust funds (net)</b>	<b>1,073,072</b>	<b>1,167,653</b>	<b>1,172,712</b>	<b>5,059</b>
<b>Intragovernmental transactions</b>	<b>-8,537</b>	<b>-1,510</b>	<b>-1,944</b>	<b>-434</b>
Post-Vietnam era veterans education account	-2,597	...	-464	-464
National service life insurance	-5,940	-1,510	-1,480	30
U.S. Government life insurance	...	...	...	...
<b>Total Department of Veterans Affairs</b>	<b>\$44,112,241</b>	<b>\$45,534,758</b>	<b>\$47,935,203</b>	<b>\$2,400,445</b>

## 2001 Appropriations Language Changes

### Compensation

For the payment, after June 30 of the current fiscal year, of compensation benefits to or on behalf of veterans as authorized by law, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary. (38 U.S.C. 107, and chapters 11, 13, and 61.)

### Pensions

For the payment, after June 30 of the current fiscal year of pensions benefits to or on behalf of veterans as authorized by law, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

### Compensation, Pensions, and Burial Benefits and Miscellaneous Assistance

The Administration requests a language change to split the Compensation and Pensions appropriation into three separate appropriations accounts: Compensation, Pensions, and Burial Benefits and Miscellaneous Assistance.

### Readjustment Benefits (One-time adjustment of \$30 million from the Readjustment Benefits account to the General Operating Expenses account)

That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5) and (11) of that section, shall be charged to the account.

### General Operating Expenses (Reception allowance change and one-time transfer of \$30 million from the Readjustment Benefits account to the GOE account)

Not to exceed [\$25,000] \$35,000 for official reception and representation expenses

That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5) and (11) that the Secretary determines are necessary to enable entitled veterans (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account.

### General Post Fund (Delete the following provision to terminate the transitional housing loan program because of inactivity in this program and since there are other alternatives to assist veterans.)

[For the cost of direct loans, \$7,000, as authorized by Public Law 102-54, section 8, which shall be transferred from the "General post fund": Provided, that such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$70,000. In addition, for administrative expenses to carry out the direct loan programs, \$54,000 which shall be transferred from the "General post fund", authorized by Public Law 102-54, section 8.]

### **Administrative Provisions (Employee Discrimination Complaints Process)**

Section 108. Beginning in fiscal year 2001, and thereafter, funds available in any Department of Veterans Affairs appropriation or fund for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs. Payments may be made in advance for services to be furnished based on estimated costs. Amounts received shall be credited to the General Operating Expenses account for use by the office that provided the service.

### **Medical Care (Delete the following provision since changes are proposed in the Administrative Provisions to Consolidate the Health Services Improvement Fund and the Extended Care Revolving Fund with the Medical Care Collections Fund.)**

[In addition, in conformance with Public Law 105-33 establishing the Department of Veterans Medical Care Collections Fund, such sums as may be deposited to such Fund pursuant to 38 U.S.C. 1729A may be transferred to this account, to remain available until expended for the purposes of this account.]

**Administrative Provisions (Consolidate the Health Services Improvement Fund and the Extended Care Revolving Fund with the Medical Care Collections Fund. The proposal would merge the existing MCCF fund and the two new funds created by "Veterans Millennium Health Care and Benefits Act." To ensure stability and adequate funding, the budget funds the full cost of the "Veterans Millennium Health Care and Benefits Act" rather than depend on new collection authority which will annually generate \$350 million in additional receipts (over \$608 million currently). To avoid double funding 50 percent of total medical collections will be directed to Treasury as received until the \$350 million is recouped at which point VA will retain 100 percent of collections.)**

Section 109. Title 38, United States Code, is amended as follows:

(a) Section 1710B(e) is amended to read:

"(e) All amounts received by the Department under this section shall be deposited in the Department of Veterans Affairs Medical Care Collections Fund."

(b) Section 1722A(c), as amended, is further amended by deleting the second sentence.

(c) Section 1729A is amended:

(1) in subsection (b) by:

(A) redesignating paragraphs (3), (4), (5), and (6) as (4), (5), (6), and (8), respectively;

(B) inserting a new paragraph (3) to read:

"(3) Section 1710B of this title.";

(C) inserting a new paragraph (7) after paragraph (6) (as redesignated above), to read:

"(7) Section 8165(a) of this title."; and

(D) inserting a new paragraph (9), at the end, to read:

"(9) Section 113 of Public Law 106-117, the Veterans Millennium Health Care and Benefits Act."

(2) in subsection (c) (1) by: (a) deleting the phrase, "Subject to the provisions of appropriation Acts amounts"; and (b) inserting in lieu thereof, "Fifty percent of the first \$700,000,000 received or collected each fiscal year under the provisions referred to in subsection (b), shall be

transferred to the general fund of the Treasury. Remaining amounts;” and (c) inserting “and without further appropriations” after “limitation.”

(3) deleting subsection (f).

(d)(1) Section 1729B is repealed.

(2) The table of sections at the beginning of chapter 17 is amended by striking out the item relating to section 1729B.

(e) Section 8165(a) is amended to read:

“(a)(1) Funds received by the Department under an enhanced-use lease and remaining after any deduction from those funds under subsection (b) shall be deposited in the Department of Veterans Affairs Medical Care Collections Fund.

“(2) Funds received by the Department from a disposal of leased property under section 8164 of this title and remaining after any deduction from such funds under the laws referred to in subsection (c) shall be deposited in the Department of Veterans Affairs Medical Care Collections Fund.”.

(f) Section 113(b) of the Veterans Millennium Health Care and Benefits Act, Pub. L. No. 106-117, is amended by striking “Health Services Improvement Fund established under section 1729B of title 38, United States Code, as added by section 202” and inserting in lieu thereof, “Department of Veterans Affairs Medical Care Collections Fund.”

(g) Any amounts deposited in the Department of Veterans Affairs Health Services Improvement Fund or the Extended Care Fund shall be transferred to and merged with the Medical Care Collections fund, to be available subject to the terms and conditions of such Fund.

Proposed Legislation (dollars in thousands)														
The following items with budgetary impact are included in the President's legislative program for the Second Session of the 106th Congress														
\$ in thousands	FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		2001 to 2005	
	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays	BA	Outlays
<b>Compensation and Pensions: COLA Legislation</b>														
o FY 2001 compensation COLA increase of 2.5 percent effective December 1, 2000			\$345,030	\$310,500	\$769,120	\$733,590	\$1,242,970	\$1,202,980	\$1,725,290	\$1,684,540	\$2,215,970	\$2,174,460	\$6,298,380	\$6,106,070
<b>Other Compensation and Pensions Legislation:</b>														
o Repeal the delay of October 2000 compensation benefits <sup>1/</sup>	\$0	\$1,800,000	\$0	-\$1,800,000									\$0	-\$1,800,000
o Pay Filipino veterans and survivors full disability compensation			\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000	\$25,000
o Permanently round down compensation COLA							-\$16,000	-\$14,000	-\$34,000	-\$33,000	-\$53,000	-\$52,000	-\$103,000	-\$99,000
o Permanently extend VA authority to verify income data with IRS							-\$6,000	-\$6,000					-\$6,000	-\$6,000
<b>Compensation and Pensions: Other legislation</b>	\$0	\$1,800,000	\$5,000	-\$1,795,000	\$5,000	\$5,000	-\$17,000	-\$15,000	-\$29,000	-\$28,000	-\$48,000	-\$47,000	-\$84,000	-\$1,880,000
<b>Veterans Housing Benefit Program Accounts</b>														
o Permanently extend authority to charge 3 percent fee for multiple-use home loans with less than 5 percent downpayment							-\$87,000	-\$87,000	-\$87,000	-\$87,000	-\$89,000	-\$89,000	-\$263,000	-\$263,000
o Permanently extend authority for inclusion of resale loss in the net value calculation							-\$9,000	-\$9,000	-\$9,000	-\$9,000	-\$10,000	-\$10,000	-\$28,000	-\$28,000
o Permanently extend authority to collect .75 percent fee increase							-\$159,000	-\$159,000	-\$158,000	-\$158,000	-\$166,000	-\$166,000	-\$483,000	-\$483,000
<b>Total, Veterans housing benefits program account<sup>1/</sup></b>	\$0	\$0	\$0	\$0	\$0	\$0	-\$255,000	-\$255,000	-\$254,000	-\$254,000	-\$265,000	-\$265,000	-\$774,000	-\$774,000
<b>Medical Care Collection Fund - Receipts</b>														
o Permanently extend authority to recover costs from health insurers for treatment of non-service-connected disabilities							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
o Permanently extend IRS record assess							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
o Permanently extend authority to recover pharmacy and other copayments							\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Medical Care Collection Fund - Receipts</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Proposed Legislation</b>	\$0	\$1,800,000	\$350,030	-\$1,484,500	\$774,120	\$738,590	\$970,970	\$932,980	\$1,442,290	\$1,402,540	\$1,902,970	\$1,862,460	\$5,440,380	\$3,452,070

<sup>1/</sup> The numbers in the table above do not match the numbers in the President's budget due to a technical error. The error in the President's budget will be corrected by the Mid-Session Review to reflect the table above.

<b>Outlays (Net)</b> (dollars in thousands)				
<b>Appropriation/Fund Account</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>Increase (+) Decrease (-)</b>
<b>Federal funds:</b>				
<b>Benefit programs:</b>				
Compensation and pensions	\$21,147,622	\$22,141,285	\$22,870,611	\$729,326
Readjustment benefits	1,445,217	1,491,000	1,719,000	228,000
Mandatory appropriation for certain vocational rehabilitation and employment activities	...	...	...	...
Veterans insurance and indemnities	46,660	30,926	19,850	-11,076
Reinstated entitlement program for survivors	...	-450	...	450
Veterans housing benefit program fund liquidating account	-370,788	-138,756	-89,920	48,836
Veterans housing benefit program fund program account	1,547,766	1,466,073	332,224	-1,133,849
Guaranteed transitional housing loans for homeless veterans	...	9,600	6,400	-3,200
Native American veteran housing loan program account	664	653	668	15
Service-disabled veterans insurance fund	-10,667	13,141	17,710	4,569
Veterans reopened insurance fund	6,586	12,752	15,320	2,568
Education loan fund liquidating account	-183	-146	-98	48
Education loan fund program account	206	215	221	6
Vocational rehabilitation loans program account	449	472	484	12
Servicemembers' group life insurance fund	-264	-210	-230	-20
<b>Total benefit programs</b>	<b>23,813,268</b>	<b>25,026,555</b>	<b>24,862,240</b>	<b>-164,315</b>
<b>Medical programs:</b>				
Medical care - Discretionary	17,202,636	17,849,254	20,464,582	2,615,328
Transfers from Medical care collection fund	643,584	587,049	603,760	16,711
Subtotal medical care	17,846,220	18,436,303	21,068,342	2,632,039
Medical and prosthetic research	316,192	311,022	326,550	15,528
Medical administration and miscellaneous operating expenses	60,682	57,026	67,366	10,340
Medical care cost recovery fund	599	...	...	...
Health professional scholarship program	17	...	...	...
Canteen service revolving fund	138	500	1,500	1,000
Medical facilities revolving fund	-193	170	631	461
Special therapeutic and rehabilitation activities fund	-2,069	-2,124	-2,175	-51
<b>Total medical programs</b>	<b>18,221,586</b>	<b>18,802,897</b>	<b>21,462,214</b>	<b>2,659,317</b>
<b>Construction programs:</b>				
Construction, major projects	290,429	184,085	141,389	-42,696
Construction, minor projects	175,561	171,095	165,916	-5,179
Parking revolving fund	11,681	3,669	3,461	-208
Grants to the Republic of the Philippines	2	...	...	...
Grants for construction of State extended care facilities	39,899	64,504	84,790	20,286
Grants for the construction of State veterans cemeteries	3,943	7,715	16,729	9,014
Nursing home revolving fund	-52	-80	-80	...
Pershing hall revolving fund	-303	27	-190	-217
<b>Total construction programs</b>	<b>521,160</b>	<b>431,015</b>	<b>412,015</b>	<b>-19,000</b>

<b>Outlays (Net)</b> (dollars in thousands)				
<b>Appropriation/Fund Account</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>Increase (+) Decrease (-)</b>
<b>General operating expenses &amp; Miscellaneous:</b>				
General operating expenses	866,699	945,041	1,072,737	127,696
National cemetery administration	88,720	94,105	111,114	17,009
Office of Inspector General	34,571	41,508	47,599	6,091
Franchise fund	-948	...	...	...
Supply fund	-27,746	...	...	...
<b>Total GOE &amp; Miscellaneous</b>	<b>961,296</b>	<b>1,080,654</b>	<b>1,231,450</b>	<b>150,796</b>
<b>Total appropriations &amp; funds</b>	<b>43,517,310</b>	<b>45,341,121</b>	<b>47,967,919</b>	<b>2,626,798</b>
<b>Proposed legislation:</b>				
Compensation and pensions - COLA increase			310,500	310,500
Compensation and pensions - Other legislation		1,800,000	-1,795,000	-3,595,000
<b>Total proposed legislation</b>	<b>0</b>	<b>1,800,000</b>	<b>-1,484,500</b>	<b>-3,284,500</b>
<b>Proprietary receipts from the public:</b>				
GI Bill	-168,040	-181,000	-184,000	-3,000
Downward reestimates				
Veterans housing benefit fund guaranteed loan	-294,513	-100,600		100,600
Veterans housing benefit fund loan sale securities		-283,260		283,260
Veterans housing benefit fund direct loan	-324,460	-345,462		345,462
Medical care collections fund	-573,606	-600,000	0	600,000
Medical care collections fund - First party collections			-203,000	-203,000
Medical care collections fund - Third party collections			-290,000	-290,000
DoD Tricare reimbursement			-115,000	-115,000
Veterans health services improvement				
Pharmaceutical copayments			...	...
Enhanced-use lease proceeds			...	...
DoD Tricare reimbursement			...	...
Medical care collections			-116,000	-116,000
Pharmaceutical copayments			-167,000	-167,000
DoD Tricare reimbursement			-67,000	-67,000
<b>Total proprietary receipts from the public</b>	<b>-1,360,619</b>	<b>-1,510,322</b>	<b>-1,142,000</b>	<b>368,322</b>
<b>Total federal funds</b>	<b>42,156,691</b>	<b>45,630,799</b>	<b>45,341,419</b>	<b>-289,380</b>

<b>Outlays (Net)</b> <i>(dollars in thousands)</i>				
<b>Appropriation/Fund Account</b>	1999	2000	2001	Increase (+) Decrease (-)
<b>Trust funds:</b>				
Post-Vietnam era veterans education account	20,467	19,500	17,900	-1,600
General post fund	28,871	29,622	30,333	711
National service life insurance	1,201,357	1,259,019	1,267,319	8,300
U.S. Government life insurance	11,581	12,072	11,664	-408
Veterans special life insurance	-37,250	-30,180	-36,728	-6,548
National cemetery gift fund	115	95	95	...
<b>Total trust funds (gross)</b>	<b>1,225,141</b>	<b>1,290,128</b>	<b>1,290,583</b>	<b>455</b>
<b>Proprietary receipts from the public</b>	<b>-206,820</b>	<b>-191,040</b>	<b>-179,510</b>	<b>11,530</b>
Post-Vietnam era veterans education account	-2,555	-1,820	-910	910
National service life insurance	-204,265	-189,220	-178,600	10,620
U.S. Government life insurance	...	...	...	...
<b>Total trust funds (net)</b>	<b>1,018,321</b>	<b>1,099,088</b>	<b>1,111,073</b>	<b>11,985</b>
<b>Intragovernmental transactions</b>	<b>-8,537</b>	<b>-1,510</b>	<b>-1,944</b>	<b>-434</b>
Post-Vietnam era veterans education account	-2,597	...	-464	-464
National service life insurance	-5,940	-1,510	-1,480	30
U.S. Government life insurance	...	...	...	...
<b>Total Department of Veterans Affairs</b>	<b>\$43,166,475</b>	<b>\$46,728,377</b>	<b>\$46,450,548</b>	<b>-\$277,829</b>



# Functional Distribution of Budget Authority (Net)

(dollars in thousands)

Function and Program	1999	2000	2001	Increase (+) Decrease (-)
<b>701: Income security for veterans:</b>				
Compensation and pensions	\$21,857,058	\$21,568,364	\$22,766,276	\$1,197,912
Proposed legislation	...	0	350,030	350,030
Veterans insurance and indemnities	46,450	28,670	19,850	-8,820
Service-disabled veterans insurance fund	-10,279	11,454	17,370	5,916
Veterans reopened insurance fund	10,317	14,020	16,200	2,180
National service life insurance	1,248,935	1,300,721	1,293,650	-7,071
US Government life insurance	11,319	10,840	10,440	-400
Veterans special life insurance fund	-18,945	-14,460	-21,930	-7,470
NSLI & USGLI receipts	-210,205	-190,730	-180,080	10,650
<b>Subtotal, income security for veterans</b>	<b>22,934,650</b>	<b>22,728,879</b>	<b>24,271,806</b>	<b>1,542,927</b>
<b>702: Veterans education, training and rehabilitation:</b>				
Readjustment benefits	1,175,358	1,469,000	1,634,000	165,000
Education loan program account	206	215	221	6
Vocational rehabilitation loans program account	449	471	484	13
Post-Vietnam era veterans education account	5,152	1,820	1,374	-446
Post-Vietnam era veterans education receipts	-5,152	-1,820	-1,374	446
GI Bill receipts	-168,040	-181,000	-184,000	-3,000
<b>Subtotal, veterans education, training and rehabilitation</b>	<b>1,007,973</b>	<b>1,288,686</b>	<b>1,450,705</b>	<b>162,019</b>
<b>703: Hospital &amp; Medical Care for veterans:</b>				
Medical care	17,270,627	18,926,481	20,281,587	1,355,106
Transfer to General Operating Expenses	-27,420	-27,907		27,907
Medical care collections fund	575,564	600,000	608,000	8,000
Medical and prosthetic research	315,652	321,000	321,000	0
Medical administration and miscellaneous operating expenses	62,933	59,703	64,884	5,181
Construction, major projects	142,287	65,140	62,140	-3,000
Construction, minor projects	174,984	160,000	162,000	2,000
Parking revolving fund	-23	...	...	...
Grants for construction of State extended care facilities	90,000	90,000	60,000	-30,000
Medical care collections fund, receipts	-573,606	-600,000	-608,000	-8,000
Veterans health services improvement, receipts	0	0	0	0
Medical care collections	0	0	-116,000	-116,000
Pharmaceutical copayments	0	0	-167,000	-167,000
DoD Tricare reimbursements	0	0	-67,000	-67,000
<b>Subtotal, hospital and medical care for veterans</b>	<b>18,030,998</b>	<b>19,594,417</b>	<b>20,601,611</b>	<b>1,007,194</b>
<b>704: Veterans housing:</b>				
Veterans housing benefit program fund liquidating account	153,555	...	...	...
Veterans housing benefit program fund program account	1,547,766	1,466,073	332,224	-1,133,849
Guaranteed transitional housing loans for homeless veterans	3,000	45,250	...	-45,250
Veterans housing benefit guaranteed loan downward reestimates	-324,460	-345,462	...	345,462
Veterans housing benefit fund loan sale securities	...	-283,260	...	283,260
Veterans housing benefit direct loan downward reestimates	-294,513	-100,600	...	100,600
Native American veteran housing loan program account	515	520	532	12
<b>Subtotal, veterans housing</b>	<b>1,085,863</b>	<b>782,521</b>	<b>332,756</b>	<b>-449,765</b>

# *Functional Distribution of Budget Authority (Net)*

*(dollars in thousands)*

Function and Program	1999	2000	2001	Increase (+) Decrease (-)
<b>705: Other veterans benefits and services:</b>				
Grants for construction of State veterans cemeteries	10,000	25,000	25,000	0
General post fund	33,331	34,198	35,018	820
Transitional housing loans, program account	...	...	...	0
General operating expenses	881,643	940,648	1,061,854	121,206
National cemetery administration	91,794	97,139	109,889	12,750
Office of Inspector General	35,927	43,170	46,464	3,294
National cemetery gift fund	62	100	100	0
<b>Subtotal, other veterans benefits and services</b>	<b>1,052,757</b>	<b>1,140,255</b>	<b>1,278,325</b>	<b>138,070</b>
<b>Total, function 700 distribution of Budget</b>				
<b>Authority for the Department of Veterans Affairs</b>	<b>44,112,241</b>	<b>45,534,758</b>	<b>47,935,203</b>	<b>2,400,445</b>
Deduction for offsetting receipts (function 902)	-945,023	-917,000	-888,000	29,000
<b>Total Department of Veterans Affairs</b>	<b>\$43,167,218</b>	<b>\$44,617,758</b>	<b>\$47,047,203</b>	<b>\$2,429,445</b>

**Functional Distribution of Outlays**  
(dollars in thousands)

Function and Program	1999	2000	2001	Increase (+) Decrease (-)
<b>701: Income security for veterans:</b>				
Compensation and pensions	\$21,147,622	\$22,141,285	\$22,870,611	\$729,326
Proposed legislation	...	1,800,000	-1,484,500	-3,284,500
Veterans insurance and indemnities	46,660	30,926	19,850	-11,076
Reinstated entitlement program for survivors	...	-450	...	450
Service-disabled veterans insurance	-10,667	13,141	17,710	4,569
Veterans reopened insurance fund	6,586	12,752	15,320	2,568
Servicemembers' group life insurance fund	-264	-210	-230	-20
National service life insurance	1,201,357	1,259,019	1,267,319	8,300
U.S. Government life insurance	11,581	12,072	11,664	-408
Veterans special life insurance	-37,250	-30,180	-36,728	-6,548
NSLI & USGLI receipts	-210,205	-190,730	-180,080	10,650
<b>Subtotal, income security for veterans</b>	<b>22,155,420</b>	<b>25,047,625</b>	<b>22,500,936</b>	<b>-2,546,689</b>
<b>702: Veterans education, training, and rehabilitation:</b>				
Readjustment benefits	1,445,217	1,491,000	1,719,000	228,000
Mandatory appropriation for certain vocational rehabilitation and employment activities	...	...	-30,000	-30,000
Education loan fund liquidating account	-183	-146	-98	48
Education loan fund program account	206	215	221	6
Vocational rehabilitation loans program account	449	472	484	12
Post-Vietnam era veterans education account	20,467	19,500	17,900	-1,600
Post-Vietnam era veterans education receipts	-5,152	-1,820	-1,374	446
GI Bill receipts	-168,040	-181,000	-184,000	-3,000
<b>Subtotal, veterans education, training and rehabilitation</b>	<b>1,292,964</b>	<b>1,328,221</b>	<b>1,522,133</b>	<b>193,912</b>
<b>703: Hospital and medical care for veterans:</b>				
Medical care - Discretionary	17,202,636	17,849,254	20,464,582	2,615,328
Transfers from Medical care collection fund	643,584	587,049	603,760	16,711
<b>Subtotal medical care</b>	<b>17,846,220</b>	<b>18,436,303</b>	<b>21,068,342</b>	<b>2,632,039</b>
Medical and prosthetic research	316,192	311,022	326,550	15,528
Medical administration and miscellaneous operating expenses	60,682	57,026	67,366	10,340
Health professional scholarship program	17	...	...	...
Construction, major projects	290,429	184,085	141,389	-42,696
Construction, minor projects	175,561	171,095	165,916	-5,179
Parking revolving fund	11,681	3,669	3,461	-208
Pershing hall revolving fund	-303	27	-190	-217
Nursing home revolving fund	-52	-80	-80	...
Grants for construction of State extended care facilities	39,899	64,504	84,790	20,286
Grants to the Republic of the Philippines	2	...	...	...
Special therapeutic & rehabilitation activities fund	-2,069	-2,124	-2,175	-51
Medical care cost recovery fund	599	...	...	...
Medical facilities revolving fund	-193	170	631	461
Medical care collections fund, receipts	-573,606	-600,000	-608,000	-8,000
Veterans health services improvement, receipts	0	0	0	...
Medical care collections	...	...	-116,000	-116,000
Pharmaceutical copayments	...	...	-167,000	-167,000
DoD Tricare reimbursement	...	...	-67,000	-67,000
<b>Subtotal, hospital and medical care for veterans</b>	<b>18,165,059</b>	<b>18,625,697</b>	<b>20,898,000</b>	<b>2,272,303</b>

# Functional Distribution of Outlays

(dollars in thousands)

Function and Program	1999	2000	2001	Increase (+) Decrease (-)
<b>704: Veterans Housing</b>				
Veterans housing benefit program fund liquidating account	-370,788	-138,756	-89,920	48,836
Veterans housing benefit program fund program account	1,547,766	1,466,073	332,224	-1,133,849
Guaranteed transitional housing loans for homeless veterans	...	9,600	6,400	-3,200
Veterans housing benefit guaranteed loan downward reestimates	-294,513	-100,600	...	100,600
Veterans housing benefit loan securities downward reestimates	0	-283,260	...	283,260
Veterans housing benefit direct loan downward reestimates	-324,460	-345,462	...	345,462
Native American veteran housing loan program account	664	653	668	15
<b>Subtotal, veterans housing</b>	<b>558,669</b>	<b>608,248</b>	<b>249,372</b>	<b>-358,876</b>
<b>705: Other veterans benefits and services:</b>				
Grants for the construction of State veterans cemeteries	3,943	7,715	16,729	9,014
Canteen service revolving fund	138	500	1,500	1,000
Supply fund	-27,746	...	...	0
General post fund	28,871	29,622	30,333	711
General operating expenses	866,699	945,041	1,072,737	127,696
National cemetery administration	88,720	94,105	111,114	17,009
National cemetery gift fund	115	95	95	...
Office of Inspector General	34,571	41,508	47,599	6,091
Franchise fund	-948	...	...	...
<b>Subtotal, other veterans benefits and services</b>	<b>994,363</b>	<b>1,118,586</b>	<b>1,280,107</b>	<b>161,521</b>
<b>Total, function 700 Distribution of Budget</b>				
<b>Outlays for the Department of Veterans Affairs</b>	<b>\$43,166,475</b>	<b>\$46,728,377</b>	<b>\$46,450,548</b>	<b>-\$277,829</b>
Deduction for offsetting receipts (Function 902)	-945,023	-917,000	-888,000	29,000
<b>Total Department of Veterans Affairs</b>	<b>\$42,221,452</b>	<b>\$45,811,377</b>	<b>\$45,562,548</b>	<b>-\$248,829</b>

<b>Obligations</b> <i>(dollars in thousands)</i>				
<b>Appropriation/Fund Account</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>Increase (+) Decrease (-)</b>
<b>Federal funds:</b>				
<b>Benefit programs:</b>				
Compensation and pensions	\$21,219,389	\$22,218,168	\$22,892,192	\$674,024
Readjustment benefits	1,635,501	1,652,404	1,868,938	216,534
Veterans insurance and indemnities	48,936	32,830	22,140	-10,690
Reinstated entitlement program for survivors	17,543	15,500	13,430	-2,070
Veterans housing benefit program fund liquidating account	401,796	363,521	343,977	-19,544
Veterans housing benefit program fund program account	1,547,766	1,466,073	332,224	-1,133,849
Native American veterans housing loan program account	660	653	668	15
Guaranteed transitional housing loans for homeless veterans		9,600	6,400	-3,200
Service-disabled veterans insurance fund	61,010	70,714	67,800	-2,914
Veterans reopened insurance fund	71,866	73,140	72,540	-600
Education loan fund program account	206	215	221	6
Vocational rehabilitation loans program account	449	472	484	12
Servicemembers' group life insurance fund	401,819	398,720	396,890	-1,830
<b>Total benefits programs</b>	<b>25,406,941</b>	<b>26,302,010</b>	<b>26,017,904</b>	<b>-284,106</b>
<b>Medical programs:</b>				
Medical care	17,875,584	19,695,750	21,115,087	1,419,337
Medical and prosthetic research	348,091	366,706	361,000	-5,706
Medical center research organizations	105,133	107,866	110,563	2,697
Medical administration and miscellaneous operating expenses	62,822	66,717	72,151	5,434
Medical facilities revolving fund	2,988	3,645	3,733	88
Canteen service revolving fund	219,122	226,921	227,721	800
Special therapeutic and rehabilitation activities fund	38,263	39,258	40,200	942
<b>Total medical programs</b>	<b>18,652,003</b>	<b>20,506,863</b>	<b>21,930,455</b>	<b>1,423,592</b>
<b>Construction programs:</b>				
Construction, major projects	169,514	184,593	198,165	13,572
Construction, minor projects	183,848	176,100	163,000	-13,100
Parking revolving fund	18,459	4,950	8,200	3,250
Grants to the Republic of the Philippines		15		-15
Grants for construction of State extended care facilities	36,990	143,377	60,000	-83,377
Grants for the construction of State veterans cemeteries	4,838	34,248	25,000	-9,248
Pershing hall revolving fund	27	30	30	0
<b>Total construction programs</b>	<b>413,676</b>	<b>543,313</b>	<b>454,395</b>	<b>-88,918</b>
<b>General operating expenses &amp; miscellaneous:</b>				
General operating expenses	1,174,975	1,256,070	1,358,571	102,501
Franchise fund	99,068	102,000	133,140	31,140
National cemetery administration	91,805	97,339	110,089	12,750
Office of Inspector General	38,280	45,548	49,061	3,513
Supply fund	476,636	663,729	687,945	24,216
<b>Total GOE and miscellaneous</b>	<b>1,880,764</b>	<b>2,164,686</b>	<b>2,338,806</b>	<b>174,120</b>
<b>Total appropriations &amp; funds</b>	<b>46,353,384</b>	<b>49,516,872</b>	<b>50,741,560</b>	<b>1,224,688</b>

<b>Obligations</b> (dollars in thousands)				
<b>Appropriation/Fund Account</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>Increase (+) Decrease (-)</b>
<b>Proposed legislation:</b>				
Compensation and pensions - COLA increase	...	...	345,030	345,030
Compensation and pensions - other legislation	...	...	5,000	5,000
<b>Total proposed legislation</b>	...	0	350,030	350,030
<b>Total federal funds</b>	<b>46,353,384</b>	<b>49,516,872</b>	<b>51,091,590</b>	<b>1,574,718</b>
<b>Trust funds:</b>				
Post-Vietnam era veterans education account	18,951	19,322	18,129	-1,193
General post fund	31,529	32,349	33,125	776
National service life insurance	1,779,650	1,798,160	1,785,390	-12,770
U.S. Government life insurance	12,214	11,870	11,340	-530
Veterans special life insurance	219,733	223,020	213,860	-9,160
National cemetery gift fund	80	100	100	0
<b>Total trust funds</b>	<b>2,062,157</b>	<b>2,084,821</b>	<b>2,061,944</b>	<b>-22,877</b>
<b>Total Department of Veterans Affairs</b>	<b>\$48,415,541</b>	<b>\$51,601,693</b>	<b>\$53,153,534</b>	<b>\$1,551,841</b>
<b>Non-Budget</b>				
Veterans housing benefit program direct loan financing account	2,283,196	2,267,080	762,213	-1,504,867
Veterans housing benefits program loan sale securities financing account	708,844	2,326,829	840,876	-1,485,953
Veterans housing benefit program guaranteed loan financing account	2,631,715	3,190,243	3,259,736	69,493
Native American veterans housing direct loan financing account	4,452	2,537	2,605	68
Guaranteed transitional housing loans for homeless veterans guaranteed loan financing account	...	...	...	...
Education direct loan financing account	...	3	3	0
Vocational rehabilitation direct loan financing account	2,308	2,590	2,793	203
<b>Total Non-Budget</b>	<b>\$5,630,515</b>	<b>\$7,789,282</b>	<b>\$4,868,226</b>	<b>-\$2,921,056</b>